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Attorneys for Plaintiff Colorado Snack Foods, LLC

U.S. DISTRICT COURT

2006 JAN 24 P 4: 25

DISTRICT OF UTAH

DEPUTY CLERK

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

COLORADO SNACK FOODS, LLC

Plaintiff,

Judge Ted Stewart

DECK TYPE: Civil

DATE STAMP: 01/24/2006 @ 16:26:22

CASE NUMBER: 2:06CV00073 TS

v.

COMPLAINT

ROCKY MOUNTAIN KETTLE CORN.

LLC

JURY DEMANDED

Defendant.

Plaintiff Colorado Snack Foods, LLC, through counsel, alleges and complains against Defendant Rocky Mountain Kettle Corn, LLC as follows:

INTRODUCTION

1. This is an action for trademark infringement and unfair competition resulting from Defendant Rocky Mountain Kettle Corn's use of the phrase ROCKY MOUNTAIN KETTLE CORN as a trademark to market and sell a line of popcorn in competition with Plaintiff's popcorn, which it sells under the trademark ROCKY MOUNTAIN POPCORN COMPANY. Despite being requested by Plaintiff to discontinue use of the infringing mark, Defendant has willfully continued to market and sell goods under ROCKY MOUNTAIN KETTLE CORN. Consequently, Plaintiff brings this action under the Lanham Act, 15 U.S.C. §§ 1051 et seq., and supplemental state law, to enjoin Defendant's further violation of Plaintiff's trademark rights in the ROCKY MOUNTAIN POPCORN COMPANY trademark, and to disgorge all profits wrongfully received from use of the infringing trademark.

THE PARTIES

- 2. Plaintiff Colorado Snack Foods, LLC is a Colorado Limited Liability
 Company having its principal place of business at 520 Stacy Ct., Unit D, Lafayette,
 Colorado, 80026. Colorado Snack Foods, LLC owns the trademark registrations to the
 ROCKY MOUNTAIN POPCORN COMPANY marks that are at issue in this case.
- 3. Upon information and belief, Defendant Rocky Mountain Kettle Corn, LLC ("Defendant") is a Utah Limited Liability Company having its principal place of business at 1874 N. 40 E, Orem, Utah, 84057. Defendant conducts business, advertises, sells, and distributes its products in Utah. Defendant's sales and distributions affect the commerce of the United States.

JURISDICTION AND VENUE

4. This action arises under the Lanham Act, 15 U.S.C. §§ 1051 et seq. This Court has subject matter jurisdiction pursuant to 15 U.S.C. § 1121, and 28 U.S.C. §§ 1331, 1338, and 1367.

5. Venue is proper in the District of Utah pursuant to 28 U.S.C. § 1391(b) and (c).

GENERAL ALLEGATIONS

- 6. Plaintiff markets, distributes, and sells a variety of popcorn and snack foods nationwide.
- 7. Since at least as early as 1995, Plaintiff has continuously used the mark "ROCKY MOUNTAIN POPCORN COMPANY" in commerce in connection with the nationwide advertising and sale of popcorn and snack foods.
- 8. Plaintiff has received two trademark registrations from the United States
 Patent and Trademark Office ("USPTO") for its ROCKY MOUNTAIN POPCORN
 COMPANY trademark:

Mark	Registration No.	Date of Registration	Goods Description
ROCKY	2,773,547	October 14, 2003	Popped popcorn
MOUNTAIN			
POPCORN	·		
COMPANY (word			
only)			
ROCKY	2,301,900	December 21, 1999	Popped popcorn
MOUNTAIN			
POPCORN			
COMPANY &			
Design			

9. Copies of Plaintiffs' two trademarks registrations for ROCKY MOUNTAIN POPCORN COMPANY are attached as *Exhibit 1*.

- 10. Pursuant to 15 U.S.C. § 1065, Plaintiff's trademark rights to ROCKY MOUNTAIN POPCORN COMPANY and Design has become incontestable.
- 11. Plaintiff has expended considerable effort and expense advertising, marketing, and promoting the mark in the United States. Consequently, the public has come to recognize and rely on the ROCKY MOUNTAIN POPCORN COMPANY mark and the mark has gained a valuable reputation.
- 12. Plaintiff's trademark ROCKY MOUNTAIN POPCORN COMPANY is inherently distinctive or has acquired distinctiveness through Plaintiff's continued and extensive use of the mark on its popcorn and snack foods.
- 13. In 2005, Plaintiff became aware that Defendant was using the term "ROCKY MOUNTAIN KETTLE CORN" to market and sell a line of popcorn and snack foods. Defendant's ROCKY MOUNTAIN KETTLE CORN products contain the same or similar ingredients as those contained in Plaintiff's ROCKY MOUNTAIN POPCORN COMPANY products. Indeed, Plaintiff markets and sells kettle corn within its line of popcorn products sold under its ROCKY MOUNTAIN POPCORN trademark.
- 14. Defendant's ROCKY MOUNTAIN KETTLE CORN trademark is confusingly similar to Plaintiff's registered ROCKY MOUNTAIN POPCORN COMPANY trademarks, as both marks feature the identical terms ROCKY MOUNTAIN, and KETTLE CORN and POPCORN have overlapping meanings and are visually and phonetically similar. As such, both marks are similar in appearance, verbal pronunciation, and commercial impression.

- 15. Plaintiff's and Defendant's products are both sold and marketed as snack food products to the same general class of consumers.
- 16. After Defendant began using the phrase ROCKY MOUNTAIN KETTLE CORN as a trademark, Plaintiff began receiving inquiries from customers and potential customers who were actually confused into believing that Plaintiff and Defendant were the same or related companies.
- 17. In May, 2004, Defendant attempted to register its mark ROCKY
 MOUNTAIN KETTLE CORN with the USPTO by filing a trademark application. Upon
 examination of Defendant's application, the USPTO rejected Defendant's mark based on
 a finding that it creates a likelihood of confusion with Plaintiff's registered marks.

 Thereafter, Defendant abandoned its trademark application, yet still continued to make
 actual use of its infringing mark in commerce.
- 18. At no time has Plaintiff given Defendant consent, license, or authorization to use the phrase ROCKY MOUNTAIN KETTLE CORN.
- 19. In 2005, Plaintiff notified Defendant that its use of the mark ROCKY MOUNTAIN KETTLE CORN was causing actual confusion, and was likely to cause consumer confusion, about the source, affiliation or sponsorship of Defendant's products. Accordingly, Plaintiff demanded that Defendant discontinue its use of the infringing mark ROCKY MOUNTAIN KETTLE CORN.
- 20. Despite being unequivocally warned and put on notice of Plaintiff's senior rights to the ROCKY MOUNTAIN POPCORN COMPANY trademark for snack foods

and popcorn, Defendant has refused to stop and has willfully continued use of the infringing ROCKY MOUNTAIN KETTLE CORN mark.

FIRST CAUSE OF ACTION (TRADEMARK INFRINGEMENT UNDER § 32 OF THE LANHAM ACT)

- 21. Plaintiff re-alleges and incorporates by this reference the preceding allegations of the Complaint.
- 22. Plaintiff possesses two valid registrations issued by the United States

 Patent and Trademark Office for ROCKY MOUNTAIN POPCORN COMPANY (one of which is incontestable): Registration Nos. 2,773,547 and 2,301,900 for popped popcorn. Copies of Plaintiff's ROCKY MOUNTAIN POPCORN COMPANY trademark registrations are attached as *Exhibit 1*.
- 23. Defendant's actions as described above, and specifically Defendant's unauthorized use of the ROCKY MOUNTAIN KETTLE CORN mark to identify and promote its products, is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of Defendant with Plaintiff, or as to the origin, sponsorship or approval of Defendant's ROCKY MOUNTAIN KETTLE CORN product by Plaintiff. Defendant's conduct constitutes trademark infringement in violation of § 32 of the Lanham Act, 15 U.S.C. § 1114.
- 24. Defendant's trademark infringement has caused and continues to cause irreparable injury to the value and goodwill of Plaintiff's trademark, as well as irreparable injury to Plaintiff's business, goodwill, and reputation. Plaintiff has no adequate remedy at law because damages are continuing and difficult to ascertain.

25. Defendant's continued use of its ROCKY MOUNTAIN KETTLE CORN trademark is deliberate, willful, fraudulent, and constitutes a knowing infringement of Plaintiff's mark. Plaintiff, therefore, is entitled to disgorgement of Defendant's profits and attorneys' fees and costs incurred in this action, along with prejudgment interest.

SECOND CAUSE OF ACTION (TRADEMARK INFRINGEMENT UNDER § 43(a) OF THE LANHAM ACT)

- 26. Plaintiff re-alleges and incorporates by this reference the preceding allegations of the Complaint.
- 27. The Defendant's actions as described above, and specifically Defendant's unauthorized use of the ROCKY MOUNTAIN KETTLE CORN mark to identify and promote its products is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of Defendant with Plaintiff, or as to the origin, sponsorship or approval of Defendant's ROCKY MOUNTAIN KETTLE CORN products by Plaintiff. Defendant's conduct constitutes the use of a false designation of origin and false descriptions and representations in violation of § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).
- 28. Defendant's false designation of origin and false descriptions and representations have caused and continue to cause irreparable injury to the value and goodwill of Plaintiff's trademark, as well as irreparable injury to Plaintiff's business, goodwill, and reputation. Plaintiff has no adequate remedy at law because damages are continuing and difficult to ascertain.

29. Defendant's continued use of the ROCKY MOUNTAIN KETTLE CORN trademark is deliberate, willful, fraudulent, and constitutes a knowing infringement of Plaintiff's mark. Plaintiff, therefore, is entitled to disgorgement of Defendant's profits and attorneys' fees and costs incurred in this action, along with prejudgment interest.

THIRD CAUSE OF ACTION (UTAH DECEPTIVE AND UNFAIR TRADE PRACTICES ACT)

- 30. Plaintiff re-alleges and incorporates by this reference the preceding allegations of the Complaint.
- 31. The Defendant's actions described above, and specifically Defendant's use of the mark ROCKY MOUNTAIN KETTLE CORN on its products, have caused or are likely to cause confusion or misunderstanding by actual and prospective purchasers and customers regarding the true source, sponsorship, approval, affiliation, connection, or association of the Defendant's product. This conduct constitutes a deceptive trade practice and/or deceptive or misleading advertising practice in violation of Utah Code Ann. § 13-11a-1 et seq.
- 32. Defendant's deceptive trade practices and/or deceptive or misleading advertising practices have caused and continue to cause irreparable injury to the value of Plaintiff's ROCKY MOUNTAIN POPCORN COMPANY mark, as well as irreparable injury to Plaintiff's business, goodwill, and reputation. Plaintiff has no adequate remedy at law because Defendant's actions are continuing and damages are difficult to ascertain.

33. Plaintiff gave notice to the Defendant of its infringement of Plaintiff's mark and Defendant has refused to cease its infringing activity. Thus, Plaintiff is also entitled to an injunction against the Defendant pursuant to Utah Code Ann. § 13-11a-4(2).

JURY DEMAND

Plaintiff requests a trial by a jury of all issues.

PRAYER FOR RELIEF

Plaintiff prays for the following relief and requests that:

- a. The Court grant preliminary and permanent injunctive relief enjoining the Defendant and each of its officers, directors, agents, servants, and employees, and all others aiding, abetting, or acting in concert with and having knowledge thereof, from using the mark ROCKY MOUNTAIN KETTLE CORN or ROCKY MOUNTAIN POPCORN COMPANY or any other mark confusingly similar thereto in connection with the promotion, sale, or offer of sale of snack foods or popcorn products;
- b. The Court order that Defendant account to Plaintiff for all sales, revenues, and profits derived from sale of products under the infringing ROCKY MOUNTAIN KETTLE CORN trademark, and that all such profits be disgorged and paid to Plaintiff;
- c. The Court order Defendant to withdraw and recall all infringing literature, packaging, advertising material, labels, and other items bearing the mark

ROCKY MOUNTAIN KETTLE CORN, and either deliver those materials to Plaintiff for destruction or arrange for their destruction in a manner acceptable to Plaintiff;

- d. The Court order the Defendant to conduct corrective advertising sufficient to inform the consuming public that there is no connection between Plaintiff and the Defendant.
- e. The Court award Plaintiff the costs of this action and reasonable attorneys' fees and expenses;

Dated this 24 day of January, 2006

Respectfully submitted,

Jennifer L. Lange

HOLLAND & HART LLP

ATTORNEYS FOR PLAINTIFF COLORADO SNACK FOODS, LLC

Plaintiff's Address: 520 Stacy Ct., Unit D Lafayette, Colorado, 80026

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SJS 44 (Rev. 11/04)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

	NSTRUCTIONS ON THE REVERSE OF THE FORM.)						
I. (a) PLAINTIFFS		DEFENDANTS		J.S. DISTRICT COURT			
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(b) County of Residence of First Listed Plaintiff Boulder County, Co (EXCEPT IN U.S. PLAINTIFF CASES)		<u>o</u>	County of Residence	of First Listed Defendant (IN U.S. PLAINTIFF CAS	Utah County, UT SES ONLY RICT OF UTAH S, USE THE LOCATION OF THE		
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(c) Attorney's (Firm Name, Address, and Telephone Number) Timothy P. Getzoff & Jennifer L. Lange, Holland & Hart LLP			Attorneys (If Known)		DEPOLI CERM		
	2000 SLC, UT 84111 (801)595-7800						
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VI. CAUSE OF ACTION	ON Cite the U.S. Civil Statute under which you ar 15 U.S.C. 1051 Brief description of cause: Trademark infringement and unfair of			and artifact	7		
VII. REQUESTED IN CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23		DI	DEMAND \$ CHECK YES only if demanded in complaint: Injunctive Relief JURY DEMAND: Ø yes □ No				
VIII. RELATED CASE IF ANY	E(S) (See instructions): JUDGE			DOCKET NUMBER			
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DATE STAMP: 01/24/2006 @ 16:26:22 CASE NUMBER: 2:06CV00073 TS